

IC 27-4-9

Chapter 9. Recommendations to Senior Consumers

IC 27-4-9-1

"Securities commissioner"

Sec. 1. As used in this chapter, "securities commissioner" refers to the commissioner appointed by the secretary of state under IC 23-2-1-15.

As added by P.L.138-2005, SEC.2.

IC 27-4-9-2

"Senior consumer"

Sec. 2. As used in this chapter, "senior consumer" means an individual who is at least sixty-five (65) years of age.

As added by P.L.138-2005, SEC.2.

IC 27-4-9-3

Suitability of annuity recommendations

Sec. 3. (a) An insurance producer, or an insurer in a case in which an insurance producer is not involved, shall not recommend to a senior consumer the:

- (1) purchase of an annuity; or
- (2) exchange of an annuity that results in another insurance transaction;

that is unsuitable for the senior consumer.

(b) A determination regarding whether a purchase or an exchange under subsection (a) is unsuitable for a senior consumer must be made:

- (1) based on the facts disclosed by the senior consumer concerning the senior consumer's:
 - (A) investments and other insurance products; and
 - (B) financial situation and needs; and
- (2) according to the rule adopted under section 4 of this chapter.

As added by P.L.138-2005, SEC.2.

IC 27-4-9-4

Rule concerning suitability

Sec. 4. The department shall adopt a rule under IC 4-22-2 to establish a method for making determinations as to whether a purchase or an exchange described in section 3 of this chapter is unsuitable for a senior consumer.

As added by P.L.138-2005, SEC.2.

IC 27-4-9-5

Violations

Sec. 5. (a) Except as provided in subsection (b), a recommendation made in violation of section 3 of this chapter is an unfair method of competition or an unfair and deceptive act or practice under IC 27-4-1-4.

(b) A recommendation made in violation of section 3 of this

chapter is not an unfair method of competition or an unfair and deceptive act or practice under IC 27-4-1-4 if the recommendation is made in compliance with the National Association of Securities Dealers Conduct Rules concerning suitability, as determined by the commissioner.

As added by P.L.138-2005, SEC.2.

IC 27-4-9-6

Commissioner actions concerning compliance

Sec. 6. (a) The commissioner may conduct an investigation, pursue an enforcement action, and take other official action that the commissioner considers appropriate to ensure compliance with section 3 of this chapter.

(b) With regard to a variable annuity, the commissioner may:

(1) consult with the securities commissioner; and

(2) use the resources of the securities commissioner;

in making a final determination regarding any issue concerning compliance with section 3 of this chapter.

(c) If the securities commissioner is informed of a violation or suspected violation of section 3 of this chapter or other insurance laws of the state, the securities commissioner shall timely advise the commissioner of the violation or suspected violation.

As added by P.L.138-2005, SEC.2.